

SHB *notification*

Subject: 2003 Unit Rent Factors for Municipal and Private Non-profits

- Legislation/Regulation
 Operational

Release 02-06

The Unit Rent Factors are figures derived from typical market rents, which are used in the calculation of subsidy in the budgets of municipal and private non-profit housing corporations. There are Unit Rent Factors for each of the approximately 150 rent districts in the province. Unit Rent Factors are reviewed and revised annually by the ministry to reflect changes in local market rents.

Non-Profit's Responsibility

The Unit Rent Factors are used on Page 3 of the Private NP Operating Budget Form 810 (01/95) and Municipal NP Operating Budget Form 819(01/95).

There are separate Unit Rent Factor tables for apartments and townhouses. Unit Rent Factors are provided for each rent district for units with various numbers of bedrooms. The tables also provide different Unit Rent Factors to reflect the various utility services included in the market rent paid by residents, i.e. no utilities, heat only, hydro only and both heat and hydro. It is important that the correct figure reflecting the services included in market rents be used in the subsidy calculation.

There are no Unit Rent Factors for stacked row housing. For any units considered to be stacked row housing, the average of the apartment and townhouse Unit Rent Factor for the same unit type should be used.

There are no Unit Rent Factors for hostel units, as it is assumed that these units are almost exclusively occupied by rent geared-to-income tenants. All hostel units should be treated as rent-geared-to-income for subsidy calculation purposes.

Further instructions on budget preparation are provided in the Ministry's publication **A Guide For Non-Profit Housing Corporations, Operation Budget and Annual Information Return**, released in January, 1995.

Action

The 2003 Unit Rent Factors will be used in the calculation of subsidy when preparing the 2003 budgets of excluded municipal and private non-profit housing corporations. The 2003 Unit Rent Factors will also be used to create 2003 Interim Benchmark Budgets until final benchmarks are issued.

If you require further information please contact Terry Pearce by phone at 416 585-7349
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Attachments: 1. 2003 Schedule for Unit Rent Factors for Apartments
2. 2003 Schedule for Unit Rent Factors for Townhouses